

NEW APPLICATION

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE - CHAIRMAN
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

Arizona Corporation Commission

DOCKETED

SEP 19 2016

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AZ CORP COMMISSION
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2016 SEP 19 PM 4:45

IN THE MATTER OF THE APPLICATION OF) DOCKET NO.
GLOBAL RECONNECT, INC. FOR)
APPROVAL OF THE TRANSFER OF)
CONTROL OF TERRACOM, INC. TO)
GLOBAL RECONNECT, INC.)

APPLICATION FOR APPROVAL
OF THE TRANSFER OF CONTROL
OF AN ELIGIBLE
TELECOMMUNICATIONS
CARRIER

T-20802A-16-0331

1. Global Reconnect Inc., ("GRI") requests approval from the Commission to acquire control of TerraCom, Inc. ("TerraCom"). TerraCom was designated as an Eligible Telecommunications Carrier ("ETC") by this Commission in Decision No. 73344 (August 21, 2012). That Decision also requires that if there is a "Transfer of Control" of TerraCom, an application be filed. The Commission noted that this "will ensure ETCs undergoing reorganization remain financially viable and able to provide the supported services throughout the designated service areas as originally approved by the Commission." (Decision No. 73344 at page 15, lines 23-26). This Application is submitted in accordance with this condition. This Application provides information on: (1) GRI and its financial viability; (2) TerraCom; (3) the Transfer of Control; and (4) services to be provided after the Transfer of Control.

Background on Global Reconnect, Inc.

2. GRI is a recently-formed Delaware corporation. GRI was formed with the intention of acquiring a carrier with an ETC designation. All of GRI's stock is currently owned by Stanley McCright. However, the National Rural Telecommunications Cooperative ("NRTC") or an entity wholly controlled by NRTC, is considering making a minority interest in NRTC.

3. Mr. McCright is the Chief Executive Officer of GRI. He has been involved in different aspects of public housing since 1974. He founded McCright & Associates in 1988 and he has provided services to public housing authorities throughout the United States.

1 4. GRI's President is Saul Ramirez. Mr. Ramirez served as Assistant Secretary and
2 then Deputy Secretary of HUD during the Clinton Administration. Prior to that, he was Mayor of
3 Laredo, Texas. After his service in HUD, Mr. Ramirez spent 15 years as CEO of the National
4 Association of Housing and Redevelopment Officials (NAHRO).

5 5. GRI's and TerraCom's financial statements are confidential. However, GRI and
6 TerraCom will provide full financial statements to the Commission under the Commission's
7 standard Protective Agreement. GRI's financial statements will be provided as Confidential
8 Exhibit 1, and TerraCom's financial statements will be provided as Confidential Exhibit 2.

9 **Background on TerraCom, Inc.**

10 6. TerraCom is one of the longest-tenured ETC service providers in the Lifeline
11 industry. It was founded in 2004 and received ETC status in Arizona in 2012. TerraCom is
12 headquartered in Oklahoma. TerraCom is in good standing with the Commission and the FCC.

13 7. TerraCom's major shareholders are Richard Yurich (48%) and Jason Hirzel
14 (38.3%).

15 8. As set forth in TerraCom's financial statements, TerraCom currently has the
16 financial ability to provide ETC service in Arizona. That ability will only be enhanced by the
17 new shareholder of TerraCom.

18 9. TerraCom is currently has the managerial and operational capabilities to provide
19 ETC service in Arizona. Given the nature of the change of control, those capabilities will be
20 retained and enhanced.

21 10. TerraCom currently has in place significant practices and procedures to avoid
22 waste, fraud and abuse. TerraCom not only utilizes the National Lifeline Accountability
23 Database, but has had in place for its entire company history a complex and multi-faceted
24 process. All applications currently are screened using Lexis Nexis and Melissa Data to confirm
25 identity and addresses. Furthermore the company exclusively uses an arm's length third party to
26 vet every application before a handset is provided to the applicant and then undergoes multiple
27 internal and external audits prior to submitting for USF reimbursement. Those practices and
28 procedures will continue after the change of control.

1 **Transfer of Control.**

2 11. The proposed transfer of control transaction (“Transaction”) is a direct Stock
3 Purchase Agreement under which GRI will acquire all of TerraCom’s issued and outstanding
4 shares.

5 12. TerraCom and GRI have applied with the FCC for approval of the Transaction.
6 The Application is pending before the FCC (WC Docket No. 16-268, DA 16-967). Comments
7 were due on September 7, 2016 and reply comments were due on September 14, 2016. Approval
8 is expected in October 2016. A copy of the Revised FCC Application filed on August 23, 2016 is
9 attached Exhibit 3.

10 13. Key persons in TerraCom’s management team will remain in place after
11 Transaction closes, and will continue the day-to-day operations of the Company. Upon
12 consummation of the Transaction, Dale Schmick will become Chief Operating Officer of GRI, R.
13 Butz will be IT and VCARE Support Manager, R. Rowlen will be Logistics & Operations
14 Manager, and H. Russell will be Compliance & Revenue Manager. All of these individuals are
15 currently members of TerraCom’s management team and they will bring significant operational
16 experience to GRI.

17 14. TerraCom will retain its current FCC compliance plan, subject to minor
18 amendments that are anticipated from the FCC.

19 15. In most states, TerraCom will simply have to provide a pre-closing notice,
20 courtesy notice, or post-closing notice. However, approval will be required in the following
21 states (other than Arizona): Pennsylvania, Louisiana, Texas, and West Virginia. Approval in
22 these states is expected in 90 days or less.

23 **Services.**

24 16. GRI has agreed to buy TerraCom due to TerraCom’s excellent employees and
25 systems. GRI will continue to rely on these employees and systems to provide service. After
26 GRI acquires control, TerraCom will continue to provide all supported services it currently
27 provides.

28 17. Customers will continue to receive service at the current rates, terms and


1 conditions of service.

2 18. After the acquisition, TerraCom will focus on providing ETC services to
3 customers in public housing. This group of customers is underserved and automatically qualifies
4 for ETC services. In combination with its current compliance plan, this should be effective in
5 limiting waste, fraud and abuse of the Lifeline program.

6 Accordingly, GRI requests approval from the Commission for it to acquire control of
7 TerraCom.

8
9
10 RESPECTFULLY SUBMITTED this 19th day of September, 2016.

11 SNELL & WILMER L.L.P.

12
13
14 By 
15 Michael W. Patten
16 Timothy J. Sabo
17 One Arizona Center
18 400 East Van Buren Street
19 Phoenix, Arizona 85004

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25
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27
28
Attorneys for Global Reconnect, Inc.

1 Original and thirteen copies of the foregoing
2 filed this 19th day of September, 2016, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered/mailed
8 this 19th day of September, 2016, to:

9 Dwight Nodes
10 Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Janice M. Alward
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Thomas Broderick
21 Director, Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 By 

26 24873845

Exhibit 1

CONFIDENTIAL

Exhibit 2

CONFIDENTIAL

Exhibit 3

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of

TerraCom, Inc.
Transferor

and

Global Reconnect, Inc.
Transferee

For Consent to Transfer Control of a Company
Holding Blanket Domestic Section 214
Authority Pursuant to the Communications Act
of 1934, as Amended

WC Docket No. 16-268

REVISED APPLICATION

TerraCom, Inc. ("TerraCom" or "Transferor") and Global Reconnect, Inc. ("GRI" or "Transferee," and, collectively with TerraCom, "Applicants") hereby respectfully request authority pursuant to Section 214 of the Communications Act of 1934, as amended ("Act"), 47 U.S.C. § 214 and Section 63.04 of the Commission's rules, 47 C.F.R. § 63.04, to transfer control of TerraCom to GRI ("Transaction").

TerraCom currently holds blanket domestic authority to provide interstate telecommunications service pursuant to Section 214 of the Act and the Commission's rules. GRI is a Delaware corporation, formed for the purpose of acquiring an existing carrier active in the Lifeline program. GRI is not a telecommunications carrier and is not owned by a

telecommunications carrier. GRI has no foreign ownership, is not a foreign carrier, and is not affiliated with foreign carriers in any market.

As outlined below, TerraCom and GRI have entered into an agreement in which GRI will acquire a direct majority ownership interest in TerraCom. The Applicants respectfully request streamlined treatment of this Application, pursuant to Section 63.03 of the Commission's rules, 47 C.F.R. § 63.03. This Application is eligible for streamlined processing on multiple bases. The Application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(i) and (ii) of the Commission's Rules, 47 C.F.R. § 63.03(b)(1)(i), (ii), because TerraCom and its affiliates are non-facilities-based carriers, and the Transferee, GRI and its affiliates, are not telecommunications providers.¹ Additionally, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2), because: (1) post-close, Applicants will have a market share of less than ten percent (10%) in the interstate, interexchange, telecommunications market; (2) Applicants will provide competitive services exclusively in areas served by a dominant local carrier not a party to this Transaction; and (3) neither the Applicants nor any of their affiliates are regulated as dominant with respect to any service.

In support of this Application, the Applicants provide the following information:

I. DESCRIPTION OF THE APPLICANTS

A. TerraCom, Inc.

TerraCom is an Oklahoma corporation that currently holds domestic authority to provide interstate wireline telecommunications services, pursuant to Section 214 of the Act and the

¹ The term "affiliate" as used throughout this application is used as that term is defined in Section 3(1) of the Act. GRI has an affiliate, Executone of Chattanooga, LLC d/b/a Concentric Network Solutions, LLC ("Concentric"), that took steps in 2013 to establish itself as a wireless provider. Concentric's filing for a Lifeline compliance plan has not been approved and Concentric has never provided telecommunications services. At this time, Concentric remains inactive, but remains an affiliate due to its 100 percent (100%) direct ownership by Stan McCright who also holds direct majority ownership in GRI (currently, 100 percent (100%).

Commission's rules. TerraCom's principal place of business is 933 E. Britton Road, Oklahoma City, OK, 73114. TerraCom primarily provides Lifeline-supported telecommunications service, and is a certificated local exchange carrier and Eligible Telecommunications Carrier ("ETC") in the state of Oklahoma.²

At present, five (5) individuals hold all of the voting and equity interest in TerraCom.³ Richard Yurich, a U.S. citizen and President of TerraCom, holds a 48.00 percent (48.00%) ownership interest in TerraCom. Jason Hirzel, a U.S. citizen and Treasurer of TerraCom, holds a 38.30 percent (38.30%) ownership interest in TerraCom. No other person or entity currently holds any 10.00 percent (10.00%) interest in TerraCom.

B. Global Reconnect, Inc.

GRI is a recently formed Delaware corporation established to acquire a telecommunications carrier participating in the Lifeline program. GRI's principal place of business is 928 McCallie Avenue, Chattanooga, TN 37403.

GRI does not hold any telecommunications regulatory authority and has no subsidiaries or affiliates that hold such regulatory authority. Furthermore, GRI is not a foreign carrier and is not affiliated with any foreign carriers.

At present, one (1) U.S. citizen, Stanley ("Stan") McCright holds all of the voting and

² TerraCom also provides wireless service and is designated as a wireless ETC in: Arkansas, Arizona, Colorado, Indiana, Iowa, Louisiana, Maryland, Minnesota, Nebraska, Nevada, Oklahoma, Texas, Wisconsin, and West Virginia. TerraCom also holds a local exchange certificate in Texas, but no longer has any wireline customers in that state. As of 2015, TerraCom directly holds 100 percent (100%) of the ownership interest in YourTel America, Inc., a Missouri corporation. Although YourTel holds local exchange and interexchange certificates in several states, it has no customers that receive wireline telecommunications services, and therefore, YourTel does not hold a domestic Section 214 authorization. YourTel provides wireless telecommunications service, primarily to consumers who receive Lifeline support, in: Illinois, Kansas, Maine, Missouri, Pennsylvania, Rhode Island, and Washington.

³ A diagram showing the ownership interests in TerraCom and GRI prior to closing of the Transaction is included as Exhibit A.

equity interest in GRI.⁴ Mr. McCright's principal place of business is 928 McCallie Avenue, Chattanooga, TN 37403 and his principal business is consulting in the public housing industry. As Chief Executive Officer of McCright & Associates, Mr. McCright has accrued over forty years' experience working with government agencies and other participants in this vital sector. Mr. McCright does not provide telecommunications services through any of his business operations.

While Mr. McCright is the only investor in GRI at present, a second entity, National Rural Telecommunications Cooperative ("NRTC")⁵ (or an entity 100 percent (100%) owned and controlled by NRTC), is considering a minority equity investment in GRI shortly before or upon closing of the Transaction. If NRTC were to take such an equity position, however, Mr. McCright would continue to hold the controlling majority in GRI and therefore, Mr. McCright will in all cases control GRI and control GRI's interest in TerraCom. As a result, the Applicants believe that the Commission can approve the Transaction regardless of the contingent nature of the possible minority, indirect equity holding of NRTC. Applicants will file a notice with the Wireline Competition Bureau notifying it if and when NRTC decides to take a minority, indirect interest in TerraCom of ten percent (10%) or more.

⁴ A diagram showing the ownership interests in TerraCom and GRI after closing of the Transaction is included as Exhibit A. At present, Stanley McCright holds all of the voting and equity interest in GRI, but a second entity, the National Rural Telecommunications Cooperative ("NRTC"), take a minority interest in GRI shortly before or upon closing of the Transaction.

⁵ NRTC was formed under the laws of the District of Columbia.

NRTC is a non-profit cooperative association representing the interests of rural utilities in multiple states, with its principal place of business at 2121 Cooperative Way, Herndon, VA, 20171.⁶ NRTC's mission is to provide support to its member companies as they provide state-of-the-art communications services throughout rural America. While not a communications provider itself, NRTC's vast national experience in providing support to telecommunications providers would make it a valuable strategic partner with GRI, particularly with respect to rural markets in order to provide Lifeline services to those hard-to-reach areas.

II. DESCRIPTION OF THE TRANSACTION

Pursuant to the terms of the stock purchase agreement dated July 27, 2016, by and among GRI and TerraCom, GRI proposes to acquire a direct majority ownership interest in TerraCom, which would result in Stan McCright holding an indirect majority interest in TerraCom. As described above, NRTC may acquire a minority interest in GRI shortly before or upon closing of the Transaction, but regardless of whether NRTC's investment in GRI occurs, Mr. McCright will maintain a majority interest in both GRI (directly) and TerraCom (indirectly).⁷

In all events, the Transaction will be transparent to TerraCom's customers. TerraCom will continue to provide interstate wireline telecommunications services to its customers where currently offered, pursuant to its existing blanket domestic Section 214 authorization. Applicants acknowledge and agree that the provisions of any consent decree or other prior enforcement

⁶ Because NRTC is a cooperative of more than 1,500 rural utilities, no single entity maintains an ownership interest in NRTC greater than ten percent (10%). NRTC also serves as the manager and majority interest holder of NRTC LLC. NRTC formed NRTC LLC to hold assets associated with its 220 MHz network. However, neither NRTC nor its subsidiary, NRTC LLC, provide any telecommunications services. NRTC LLC *does not* use its spectrum "to provide a subscriber-based service that is interconnected with the public switched telephone network." The spectrum held by NRTC LLC is used "for private, internal purposes by utilities for fixed telemetry and two-way voice communications primarily to ensure the safe and efficient generation, transmission and distribution of electric utility services." See Comments of the National Rural Telecommunications Cooperative, WT Docket No. 13-59 at 2-4 (filed Apr. 8, 2013) <https://ecfsapi.fcc.gov/file/7022158776.pdf>. NRTC also owns 100 percent (100%) of a non-facilities-based carrier, Zefcom, LLC, a Delaware entity. Zefcom, LLC is a non-facilities based wholesale provider of wireless minutes. As a result, even if NRTC were to take a minority interest in GRI, the Application would continue to qualify for streamlined treatment. Finally, Zefcom, LLC is not affiliated with any foreign carriers.

⁷ A diagram showing the corporate structure of GRI and TerraCom post-close is included as Exhibit B.

action between the FCC and TerraCom remains binding on TerraCom and GRI as transferee and that grant of the Section 214 application will not alter their responsibility to comply with any such consent decree or other prior FCC enforcement action for so long as GRI retains its ownership interests in TerraCom and complies with applicable FCC rules to effect and change an ownership or discontinuance of service.

III. PUBLIC INTEREST STATEMENT

Pursuant to Section 214 of the Act,⁸ transfer of control of TerraCom to GRI would further the public interest, convenience, and necessity. The transaction will serve the public interest by providing financial, technical, and managerial resources available through GRI to TerraCom. These resources will strengthen TerraCom's ability to provide high-quality wireless *and* wireline Lifeline services. Importantly, as the Lifeline program moves towards broadband as a supported service, GRI will provide the resources and stability needed for TerraCom to compete in the Lifeline marketplace.

Drawing on his forty years of experience, Mr. McCright, the owner of GRI, will provide invaluable management and strategic business skills to TerraCom. Mr. McCright is familiar with the rigors of compliance associated with federal government benefit programs. As Chief Executive Officer of McCright & Associates, Mr. McCright has worked closely with public housing authorities throughout the United States for over twenty years, creating systems and solutions to efficiently manage eligibility determinations and re-certifications for public housing residents. While working to improve the lives of low-income consumers for the past two decades, Mr. McCright has maintained a standard of excellence in ensuring compliance with government rules and regulations. This expertise, in addition to Mr. McCright's financial resources, will allow TerraCom to compete in the modern Lifeline marketplace.

⁸ 47 U.S.C. § 214.

To the extent that NRTC invests in GRI, NRTC's vast national experience in providing support to communications providers makes it a valuable resource to TerraCom. NRTC specializes in technology solutions for rural telecommunications providers; therefore, with insight from NRTC, TerraCom will assuredly have the opportunity to increase its service offerings delivering today's technology in rural and underserved areas across the nation.

As an added benefit, the proposed transaction will have no adverse impact on TerraCom's existing customers. TerraCom's management team will remain in place post-close, and will continue the day-to-day operations of the company. TerraCom customers will continue to receive their existing services at the same rates, terms, and conditions currently in effect. Furthermore, the synergy between the existing management team's telecommunications expertise and Mr. McCright's experience in compliance and marketing to the low-income sector will result in measurable growth and improved offerings for TerraCom.

Additionally, the proposed transaction does not present any anti-competitive concerns. While TerraCom provides prepaid local, intrastate and interstate telecommunications services to low-income customers in Oklahoma, TerraCom's share of the local, intrastate, and interstate telecommunications market in Oklahoma would be well under one percent (1%). Furthermore, TerraCom faces fierce competition in the Lifeline services market from established wireless and wireline ETCs. Going forward, the level of competition in the Lifeline services market facing TerraCom, should only increase pursuant to the reforms undertaken in the recent *Lifeline Modernization Order*.⁹ Moreover, since TerraCom is not regulated as dominant, regulatory

⁹ In the *Lifeline Modernization Order*, the Commission took steps to "to encourage broader provider participation in the Lifeline program with the expectation that increased participation will create competition in the Lifeline market." *In Re 2016 Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42, et al., Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 4041, ¶ 221 (FCC 2016) (*Lifeline Modernization Order*).

agencies have made a finding that it has no ability to exert anti-competitive pressures upon other providers in the domestic telecommunications market.

IV. INFORMATION REQUIRED BY SECTION 63.24(e)

The Applicants submit the following information pursuant to section 63.04(a) of the Commission's rules:

- (1) Name, address and telephone number of the Applicants:

Transferor

TerraCom, Inc.
933 E. Britton Rd.
Oklahoma, City, OK 73114
(888) 716-8880

Transferee

Global Reconnect, Inc.
928 McCallie Avenue
Chattanooga, TN 37403
(423) 468-1654

- (2) TerraCom is an Oklahoma corporation. GRI is a Delaware corporation.
- (3) Correspondence for all Applicants concerning this Application should be sent to:

Danielle Frappier
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue NW, Suite 800
Washington, DC 20006-3401
Tel: 202.973.4242
Fax: 202.973.4499
Email: daniellefrappier@dwt.com

with copies to:

Dale R. Schmick
Chief Operating Officer
TerraCom, Inc.
933 E. Britton Rd.
Oklahoma City, OK 73114
Tel: 405.479.8921
Fax: 816.388.1044
Email: dale@terracominc.com

Stanley McCright
Global Reconnect, Inc.
928 McCallie Avenue
Chattanooga, TN 37403
Tel : 423.280.5133
Fax: 423.265.6222
Email: mccright@mccright.com

- (4) Post-close, the following individuals or entities will hold a ten percent (10%) or greater interest in TerraCom.

Name:	Global Reconnect, Inc.
Address:	928 McCallie Avenue, Chattanooga, TN 37403
Citizenship:	Delaware Corporation
Principal Business:	Investment management
Interest in TerraCom:	Majority (direct)

Name:	Stanley McCright
Address:	928 McCallie Avenue, Chattanooga, TN 37403
Citizenship:	United States
Principal Business:	Public housing industry consultant
Interest in TerraCom:	A controlling interest (indirect through interest in GRI)

Potential Additional, Indirect Ownership Interests

Name:	National Rural Telecommunications Cooperative
Address:	2121 Cooperative Way, Suite 500, Herndon, VA, 20171
Citizenship:	District of Columbia
Principal Business:	Cooperative association
<u>Potential</u> Interest in TerraCom:	A minority interest (indirect)

No other person or entity will hold ten percent (10%) or more ownership interest in TerraCom post-closing.

- (5) As evidenced by the signature of their authorized representatives to this Application, the Applicants certify, pursuant to Sections 1.2001 through 1.2003, of the Commission's rules, 47 C.F.R. §§ 1.2001-1.2003, that they are not subject to a denial of Federal benefits pursuant to Section 53.01 of the anti-Drug Abuse Act of 1988.
- (6) A description of the Transaction is outlined in Section II, above.
- (7) TerraCom primarily provides Lifeline supported telecommunications service, and is a certificated local exchange carrier and designated an ETC to provide wireline service in the states of Oklahoma and Texas, although it only provides wireline services in Oklahoma. TerraCom also provides wireless service and is designated as an ETC in: Arizona, Arkansas, Colorado, Indiana, Iowa, Louisiana, Maryland, Minnesota, Nebraska,

Nevada, Oklahoma, Texas, West Virginia and Wisconsin. TerraCom's affiliate, YourTel, provides wireless telecommunications service primarily to consumers who receive Lifeline support in: Illinois, Kansas, Maine, Missouri, Pennsylvania, Rhode Island, and Washington. YourTel does not provide any wireline services.

- (8) The Applicants respectfully request streamlined treatment of this Application pursuant to Section 63.03 of the Commission's rules, 47 C.F.R. § 63.03. This request is described in the introduction, above.
- (9) The Applicants are in discussions with staff of the Commission's Wireline Competition Bureau Telecommunications Access and Policy Division to confirm their understanding that no update to TerraCom's approved Lifeline compliance plan for non-facilities based carriers is necessitated by the Transaction.
- (10) TerraCom is not facing an imminent business failure.
- (11) The Applicants do not seek any waivers of the Commission's rules at this time.
- (12) The Transaction, as described in this Application, would further the public interest, convenience, and necessity. The public interest benefits of this transaction are described in Section III, above.

V. CONCLUSION

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application. Applicants respectfully request that the Commission grant the authority necessary to consummate the Transaction.

Respectfully Submitted,

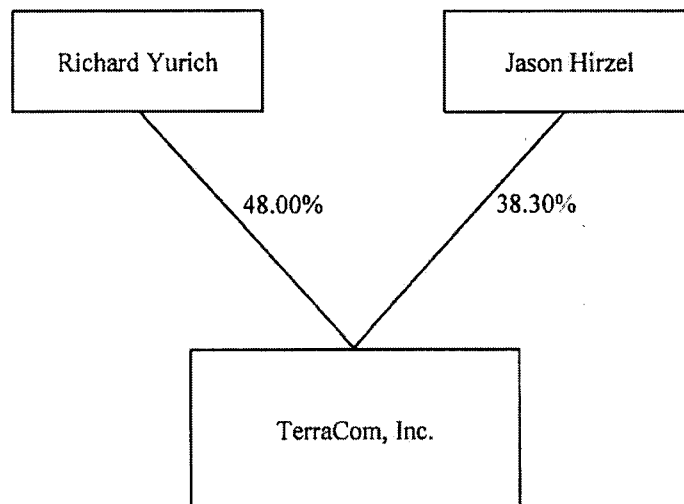


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EXHIBIT A

Pre-Close Ownership Chart of TerraCom and GRI

TerraCom, Inc.



Global Reconnect, Inc.

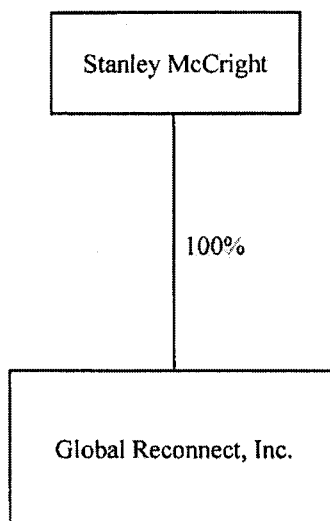
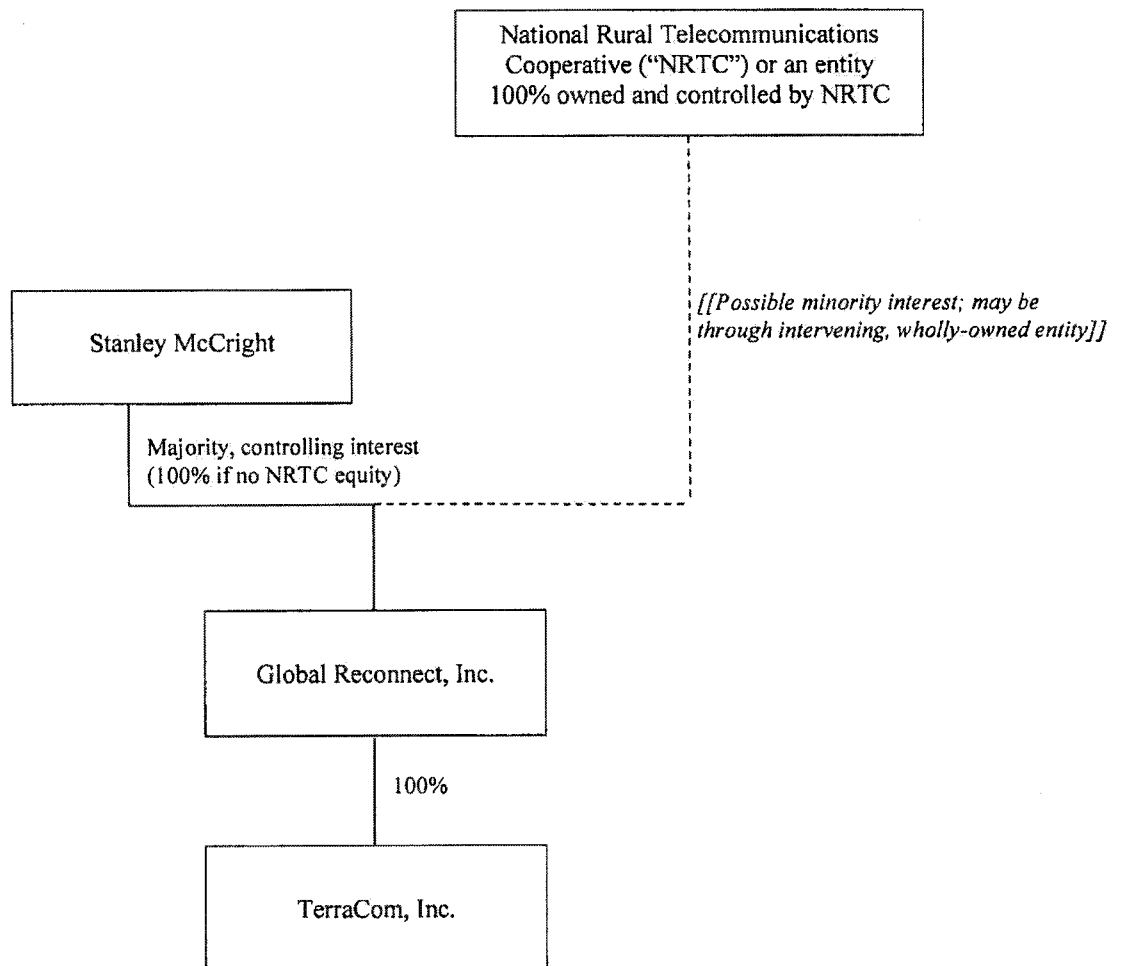


EXHIBIT B

Post-Close Ownership Chart of TerraCom and GRI

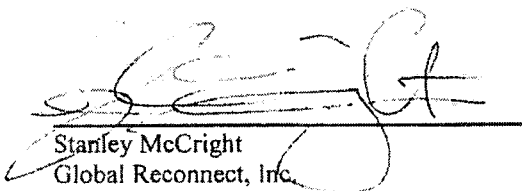
*No person or entity holds a 10% or greater interest in
National Rural Telecommunications Cooperative*



VERIFICATION OF GLOBAL RECONNECT, INC

I, Stanley McCright, state that I hold all of the equity interest in Global Reconnect, Inc ("Transferee"); that I am authorized to make this Verification on behalf of Transferee; that the foregoing filing was prepared under my direction and supervision; and that the statements made in the foregoing filing with respect to Transferee are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 21st day of August, 2016.



Stanley McCright
Global Reconnect, Inc.

VERIFICATION OF TERRACOM, INC

I, Dale R. Schmick, state that I am the Chief Operating Officer of TerraCom, Inc ("Transferor"); that I am authorized to make this Verification on behalf of Transferor; that the foregoing filing was prepared under my direction and supervision; and that the statements made in the foregoing filing with respect to Transferor are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 20th day of August, 2016.

Dale
Schmick

Digitally signed by Dale Schmick
DN: cn=Dale Schmick, c=US,
email=dschmick@yourtel.com
Date: 2016.08.20 20:50:09 -05'00'

Dale R. Schmick, Chief Operating Officer
TerraCom, Inc.

Welcome to the FCC's new Electronic Comment Filing System, ECFS 3.0, launched June 20, 2016. This system contains the entire history of docketed proceedings from 1992 to the present. New submissions here will be added to the public record. We will continue to refine this system in response to user feedback. Please tell us about your experience using this system by sending an email to ECFSfeedback@fcc.gov (mailto:ECFSfeedback@fcc.gov).

Non-Docketed Filing

1 **Filing** 2 **Review** 3 **Confirmation**

FCC Inbox:	INBOX-63.04 : Section 214 Domestic Transfer of Control Application (Fee Required)
Confirmation #:	2016082310997156
Submitted:	Aug 23, 2016 5:46:25 PM
Status:	SUBMITTED
Name(s) of Filer(s)	Global Reconnect, Inc., TerraCom, Inc.
Law Firm(s)	Davis Wright Tremaine LLP
Attorney/Author Name(s)	Danielle Frappier
Primary Contact Email	daniellefrappier@dwt.com
Type of Filing	APPLICATION
Address of	Law Firm
Address	1919 Pennsylvania Ave. NW Suite 800, Washington, DC, 20006
Email Confirmation	Yes

Federal Communications Commission
445 12th Street SW, Washington, DC 20554
Phone: 1-888-225-5322
TTY: 1-888-835-5322
Videophone: 1-844-432-2275
Fax: 1-866-418-0232

Contact Us (<https://www.fcc.gov/contact-us>)